

and increases the size of mortgages which the Federal Housing Administration can insure.

Third, quick enactment of this plan will encourage optimism among Americans concerned about the economy. Madam Speaker, hope has been mentioned very often in this Presidential campaign. Tonight we should send a message to the American people that our economy is strong. There are businesses that are ready to hire, ready to invest, ready to buy new technology. There is a legitimate reason for optimism today, and we should promote that optimism. This package, I believe, will contribute to that optimism and that hope.

Madam Speaker, let me conclude by commending President Bush, Chairman FRANK, Chairman RANGEL, Ranking Member MCCRERY, and the Republican and Democratic leadership of this House for coming together so quickly to assemble this stimulus package. I urge all my colleagues to support it.

Mr. RANGEL. Madam Speaker, I would like to recognize the chairman of the Finance Committee who, under the leadership of our Speaker, provided the guidance to all of us in the committee to be ready for this occasion if, in fact, we had to. We do have to, we were ready, and I'm proud to be his colleague, Mr. FRANK, for 3 minutes.

Mr. FRANK of Massachusetts. I begin, appropriate to this bill, on a note of bipartisanship. My counterpart on the Financial Services Committee said we must reduce spending, and I agree. And we will have a chance this year to reduce the most wasteful drain on our economy imaginable, the war in Iraq, \$100 billion a year, far more than the excess in any other program. So I hope the American people this year will heed his view and we will put in place a policy that will save us \$1 trillion over the next 10 years if the wishes of some to stay in Iraq are maintained.

Secondly, let me reinforce what the chairman said. It was in late November of last year that Speaker PELOSI urged us to begin thinking about the economy and called together a group of economists, labor leaders, and business leaders. And she took the lead and more than anyone else is responsible for the fact that we are confounding the cynics by acting so quickly and responsibly today.

Lastly, on the housing piece. What we have is a private housing market that has gotten itself into a terrible jam. And part of this bill is to use public and quasi-public entities, entities created by the Federal Government, to go to the aid of the private market. The private market has stopped making loans for houses above a certain level because of, as my friend from Alabama said, a lack of confidence. What we do today is to empower the Federal agency, the FHA, to help untangle that with a higher loan limit. And those two creations of the Congress, quasi-public/private Fannie Mae and Freddie Mac, we here today send the public sector to the rescue of a mortgage market at the upper end that can't function on its own.

But let me say this: there has been an argument that we should not have

done that without further structural reform in those two entities. I have agreed to those limits and, in fact, pushed for them being raised now because we're in an economic crisis and we need a short-term response.

But I am committed, and I know my friend from Alabama joins me in this, we will not agree to any further extension of those loan limits after the expiration date of December of this year unless we are able to accompany them with structural reform. And let me say, I see my friend nodding, that's our commitment.

So we are committed. And the chairman of the Senate Banking Committee and I and Members are now talking about the FHA bill. We will not, and let me give this commitment, we will not bring out of our committee an increase in the time at which the jumbo loans can be paid for until we have comprehensive reform.

Given that, we have here a reasonable package. We get money out, thanks to the Speaker's insistence on this bipartisan framework, to precisely the people who will spend it, which is what we need now. And we send the FHA and Fannie and Freddie in a responsible way to the aid of the private market because private sector-public sector cooperation is the foundation of our economy.

Mr. MCCRERY. Madam Speaker, I yield 2 minutes to the distinguished ranking member of the Tax Subcommittee of the Ways and Means Committee, the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Madam Speaker, tonight the House has an opportunity to give American working families and employers the shot in the arm they need to weather this growing economic storm.

The heart of this bipartisan plan focuses on putting more demand into a flagging economy, more money back into the hands of America's hard-working middle-class families. Through tax rebates and a bump in the child tax credit, this agreement will quickly inject a cash infusion into the economy to assist families with skyrocketing food, services, and energy costs.

Importantly, this legislation will go a step further than the original compact and ensure that veterans and seniors receive additional financial support to boost their buying power. All of that is positive. And as we've already heard, the housing provisions to increase limits on loans backed on by the FHA and GSEs will, without a doubt, give relief to families facing financial pressure from the subprime mortgage crisis.

Finally, and importantly, by rewarding businesses for making critical capital investments here onshore, we will expand investment, create new jobs, improve the competitiveness of the American economy, and put an immediate infusion of liquidity into the economy.

Madam Speaker, in my view, this is precisely the right tonic at the right time. This should be a start, not the last word. We should be moving forward with regulatory reform and, above all, let me note to the people on the other side of the aisle, a budget this year without a large tax increase looming in the future.

But short of that, this is a good starting place. And I urge my colleagues to vote for working families, vote for jobs, and vote, above all, for a growing economy.

Mr. RANGEL. Madam Speaker, I am certain that all of us feel the same sense of pride in that Speaker PELOSI has responded to a national need, and not only did it by reaching out to the minority leader, but created an atmosphere in this House of Representatives so that we all could respect our dignity and the differences that we have with the other body.

Our staffs, our committee has worked together in such a way that at the end of the day we knew that we would be able to say that it was the House of Representatives that sent the bill over there.

And so I would like to yield 1 minute to our distinguished Speaker, NANCY PELOSI.

Ms. PELOSI. I thank the gentleman for his kind words and his extraordinary leadership, which made it possible for us to come to the floor with this bipartisan historic legislation tonight. Thank you, Mr. RANGEL, for your leadership. And thank you, Mr. MCCRERY, for yours. It's quite an evening when we can come together in a bipartisan way for legislation that helps the middle class, helps those aspire to the middle class, gives incentives to businesses to create jobs to stimulate our economy. I thank you for that.

I acknowledge the leadership of Chairman BARNEY FRANK, chairman of the Financial Services Committee, for his leadership, along with Ranking Member BACHUS for his, because those who are concerned about, and that is all of us, the subprime crisis can see some relief in this legislation because of their leadership.

I want to acknowledge another member of the Financial Services Committee, Mr. KANJORSKI, and salute him for his leadership dropping the bill even before we took this up this evening for seniors and disabled veterans to be getting the recovery rebates as well, as well as clarification of language regarding undocumented persons in our country getting that benefit. Thank you, Mr. KANJORSKI, for your leadership.

Before I go on too long, I must salute Leader BOEHNER. It was a privilege to work with him on this. And Mr. HOYER and I shared a view of our caucus. We came with consensus to the table. None of us got everything we wanted in the legislation, but we did get a great deal for the American people. We did so in a manner that was timely. We were acting in record time, targeted on the